

BadgerCare at a Glance

December 2005



Program Description

Purpose:

- BadgerCare is a health insurance program for low-income working families with children. It provides coverage for families with incomes too high for Medicaid who are without access to health insurance.

Goals:

- BadgerCare seeks to eliminate barriers to successful employment by providing a transition for families from welfare to private insurance.
- BadgerCare is based on the premise that health care is essential for working families with children.

Basic Provisions

- Low-income uninsured families who are not eligible for Medicaid qualify for BadgerCare if family income is at or below 185 percent of the federal poverty level (FPL). Families remain eligible for BadgerCare until their income exceeds 200 percent of the FPL.
- No asset test is required to enroll in BadgerCare.
- Families that currently have, or have had, insurance in the past three months, or who have had access to a group health insurance plan in which their employer pays at least 80 percent of the monthly premium, are not eligible for BadgerCare.
- Most BadgerCare families are enrolled in the Wisconsin Medicaid managed care Health Maintenance Organization (HMO) program. However, BadgerCare can pay premiums to enroll families into their employer-sponsored health insurance. To qualify for the Health Insurance Premium Purchase (HIPP) program, the employer must pay at least 40 percent, but less than 80 percent, of a family premium. In addition, the cost of the family premium, plus wraparound services equal to BadgerCare coverage, must be cost-effective compared to BadgerCare HMO coverage for the family. As of December 2005, 679 families have been enrolled in HIPP.
- Families with an income at or above 150 percent of the FPL currently pay a premium equal to 5 percent of their income.

Enrollment

- Enrollment in BadgerCare began in July 1999 with an initial enrollment of 8,647. BadgerCare now provides health care coverage to over 91,000 people.
- BadgerCare has increased enrollment of children in Medicaid. Since the implementation of BadgerCare, an additional 113,643 children have enrolled in Medicaid.
- Many BadgerCare families are mixed – younger children are in Medicaid and older siblings and parents are in BadgerCare. The seamless integration of BadgerCare with Medicaid maximizes federal funding and eligibility to help uninsured working families access care.

- BadgerCare has become a safety net for low-income families with children, many of whom were never enrolled in Medicaid. In fact, only 39 percent of current BadgerCare enrollees were in Medicaid at any point in the last four years. More specifically, nearly 60 percent of Milwaukee County's BadgerCare caseload was formerly on Medicaid and 32 percent of the BadgerCare caseload in the rest of the state was formerly on Medicaid.
- The increased enrollment in BadgerCare and Medicaid provides health care coverage to virtually all low-income children in the state. Wisconsin is among the leading states in the nation in terms of health care coverage for its residents.

BADGERCARE ENROLLMENT BY CATEGORY DECEMBER 2005				
Enrollees	Up to 150% of FPL	Over 150% of FPL	Total BadgerCare Enrollees	Percent Change From Previous Month
Children	22,435	7,054	29,489	1.64%
Parents	53,423	8,344	61,767	1.08%
Total by Category	75,858	15,398	91,256	1.26%

CHILDREN ENROLLED IN MEDICAID DUE TO BADGERCARE			
November 2005	December 2005	Net Change From Previous Month	Percent Change from Previous Month
113,643	115,640	1,997	1.73%

HISTORICAL BADGERCARE ENROLLMENT							
Enrollees	July 2000	July 2001	July 2002	July 2003	July 2004	July 2005	December 2005
Children	22,641	26,726	32,019	36,076	33,937	28,389	29,489
Parents	48,010	57,986	65,979	73,864	71,059	61,052	61,767
Total	70,651	84,712	97,998	109,940	104,996	89,441	91,256
Additional Medicaid Children Covered	18,739	47,117	57,100	76,700	97,496	116,427	113,643
Total Children Added Since July 1999	41,380	73,843	89,119	112,776	131,433	144,816	143,132

Covered Benefits

- Individuals enrolled in BadgerCare receive benefits identical to those available under the Medicaid program. Covered services range from routine health care and prescription drugs to hospital stays.
- Approximately 66 percent of BadgerCare recipients are currently enrolled in an HMO. BadgerCare recipients must receive services from Medicaid-certified providers.

Funding and Operating Authority

- The state statutory authority for BadgerCare is contained in §49.665 of the Wisconsin state statutes. The federal authority is granted under Title XIX (Medicaid) and Title XXI (State

Children's Health Insurance Program [SCHIP]), and Title XIX and Title XXI waivers under Section 1115.

- All BadgerCare children are funded using Title XXI, with enhanced federal matching funds at 71 percent.
- In January 2001, the state received approval of its waiver request to use Title XXI funds for parents of Medicaid and BadgerCare children. Under the terms of the waiver, the state is able to claim enhanced federal reimbursement of 71 percent under Title XXI for parents with income above 100 percent of the FPL.
- Parents with income at or below 100 percent of the FPL are funded under a Title XIX waiver, with a regular federal matching rate of 58 percent.
- Funding for BadgerCare is limited to the amounts appropriated for the program. If BadgerCare costs are projected to exceed budgeted levels the state may implement an enrollment trigger, subject to approval by the Joint Committee on Finance, to reduce the income level at which new families enroll in the program.
- The enrollment trigger under Title XIX may be used to increase or decrease the income level for initial eligibility. Use of the trigger under Title XXI reverts funding and waiver provisions to the original Title XIX waiver, resulting in the loss of the higher federal match rate for parents.
- Since federal fiscal year 2001, Wisconsin has received over \$159 million in federal re-allocated SCHIP funds.

BadgerCare Funding and Enrollment with Title XXI Waiver

SFY 2005 (Actual)		Budgeted Enrollment	
State (GPR)	\$58,877,582	Children	30,359
Federal	\$122,702,077	Parents	63,832
Program Revenue (Premiums)	\$6,986,380		
Total	\$188,566,039	Total	94,191
SFY 2006 (Budget)			
State (GPR)	\$62,439,100	Children	29,942
Federal	\$122,017,200	Parents	62,558
Program Revenue (Premiums)	\$6,864,700		
Total	\$191,321,000	Total	92,500
SFY 2007 (Budget)			
State (GPR)	\$78,131,000	Children	31,007
Federal	\$131,983,600	Parents	64,870
Program Revenue (Premiums)	\$7,250,900		
Total	\$217,365,500	Total	95,877